

HUD CONSUMER BULLETIN

RENT SUPPLEMENT HELP FOR TENANTS



U. S. DEPT. OF HOUS.



U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT
Washington, D.C. 20410

WHY RENT SUPPLEMENTS ARE PAID

To provide a way for people of low income to live in decent housing, the Government pays part of the rent for some tenants in certain housing projects. These payments are made by the Federal Housing Administration under the rent supplement program of the Department of Housing and Urban Development. The rent supplement is the payment that FHA makes to a landlord to help out a person or a family that cannot afford to pay the full rent for decent housing.

WHAT HOUSING RENT SUPPLEMENTS APPLY TO

All housing provided through the rent supplement program will be built by private builders, owned by private owners, and managed by private managers. It will not be public housing.

The housing projects will be financed with FHA-insured mortgages. A project can be made up of apartment buildings, row houses, or separate houses. The housing in the project will be plain, decent housing that is either new or rebuilt to make it livable.

WHO CAN HAVE RENT-SUPPLEMENT HELP

First of all, tenants (either a single person or a family) can get rent supplement help only if they have no more income than would be allowed for them to get into a public housing project in the same city.

Also, any money or other property they have, aside from income, cannot be more than \$2,000 (or \$5,000 if either the husband or wife is 62 or older).

Then, even with a low enough income, rent supplement tenants must qualify in one or more of the following ways:

- (1) Be a single person or a family that has had to move because of urban renewal, highway construction, or some other kind of government action.
- (2) Be a single person 62 or older, or a family in which the wife or husband is 62 or older.
- (3) Be a single person with a physical handicap of some kind, or a family in which the husband or wife has a handicap.
- (4) Be a single person or a family living in substandard housing--housing that

is badly run down, has no indoor plumbing, or for some other reason is not fit to live in.

- (5) Be a single person or a family whose home has been destroyed or badly damaged by a hurricane or some other natural disaster.

A person or family that needs rent supplement help can go to the owner or manager of a rent supplement housing project and fill out an application. The owner or manager will help him do this.

The application will show how many people will live in the apartment, how much income they have altogether, how much other money or property they have (not counting clothes and furniture), and other information. The owner or manager will select tenants from among those who apply, and the FHA will decide which tenants are entitled to rent supplements.

HOW RENT SUPPLEMENTS ARE PAID

A tenant pays the landlord one-fourth of his monthly income for rent in the project, and, if the rent for the apartment is more than one-fourth of the tenant's income, the FHA pays the difference to the landlord.

For instance, if the tenant's income is \$200 a month he pays the landlord a fourth of that amount, or \$50 a month, for rent; and if the rent for his apartment is \$90 a month, the FHA pays the landlord \$40 to make up the difference between the \$90 rent and the \$50 that the tenant pays.

If the tenant's income drops, he can notify the landlord and the landlord can ask the FHA to pay a larger rent supplement. For instance, if the tenant's income falls from \$200 a month to \$180 a month and he still lives in the \$90 apartment, he may wish to reduce his monthly rent payment to one-fourth of \$180, or \$45, and the FHA may agree to raise the rent supplement payment from \$40 to \$45.

If the tenant's income rises while he is living in the project, he pays more of the rent and the FHA pays less. If the tenant's income rises to a point where it is four times the amount of the full rent for the apartment, the rent supplement stops, but the tenant can go on living in the apartment by paying the full rent himself, if he does not wish to move.

A rent supplement tenant signs a lease for his apartment, just as any other tenant would. The lease calls for the landlord to

check up on the tenant's income once a year, and the tenant agrees in the lease to tell the landlord at once if his income goes up to four times the amount of the rent for his apartment. This is done so that the rent supplement payment made by the FHA will not be larger than the law allows. If the tenant is 62 or older, the once-a-year check-up on his income does not have to be made.

WHERE TO FIND RENT SUPPLEMENT HOUSING

Rent supplement housing will be located in cities and towns where there is not enough good housing that poor people can afford, and where churches, unions, or other private groups or persons want to do something to provide it, and where rent supplement funds have been made available. The money that Congress allows for rent supplements is limited and has to be spent where it can do the most good.

The FHA office that serves the area will know whether or not there is any rent supplement housing in a particular city or town. See the list of FHA offices given here.

EQUAL OPPORTUNITY IN HOUSING

FHA, under Executive Order 11063 of November 20, 1962, has ruled that housing provided with FHA help must be open to all people without discrimination because of race, color, creed, or nationality.

This ruling applies to any person, firm or group that receives an FHA insured loan or does business with FHA. It covers the making of loans, and the selling, renting or in other ways disposing of property. Violators may be cut off from further FHA aid.

One- or two-family houses that have been occupied by their owners are exempt from the ruling. But if the buyer of such a home wants to finance it with an FHA insured mortgage, the lender is bound by the ruling.

THE FHA IN BRIEF

Since its establishment in 1934, the Federal Housing Administration has written mortgage and loan insurance in a total amount of over \$100 billion. This amount covers mortgage insurance on several million homes, on more than a million living units in multifamily projects, and on many millions of property improvement loans. Altogether, FHA has helped between 35

million and 40 million families to improve their housing standards and conditions.

Congress provided the FHA mortgage and loan insurance system to help improve housing standards, to promote the use of sound financing methods, and to help keep the mortgage market steady. FHA supports itself through income derived from fees, insurance premiums, and investments. Its insurance reserves are well over a billion dollars.

All loans insured under FHA programs are made by private FHA-approved lenders. FHA does not lend money or build houses.

The first FHA programs dealt with insured home improvement loans, home mortgage loans, and rental housing mortgage loans. Through its 76 field offices FHA now also insures mortgages to develop land and to provide homes for servicemen and their families, housing for people of low and moderate income, housing in urban renewal areas, housing for the elderly or handicapped, nursing homes, cooperative housing, condominiums, experimental housing, housing at or near military centers; and long-term loans for major home improvements.

FHA has had a marked influence on the location, volume, and kind of housing built in the United States. It has helped to make the low-downpayment, long-term, fully amortized mortgage the standard in mortgage lending.

HUD INSURING OFFICES

ALABAMA, BIRMINGHAM 35203

2121 8th Avenue North

Tel. 325-3264

ALASKA, ANCHORAGE 99501

Room 228, Federal Bldg., P.O. Box 480

Tel. 272-5451

ARIZONA, PHOENIX 85002

244 West Osborne Road, P.O. Box 13468

Tel. 261-4434

ARKANSAS, LITTLE ROCK 72203

3433 Federal Office Bldg., 700 W. Capitol Ave.

Tel. 372-5404

CALIFORNIA, LOS ANGELES 90013

5th & Broadway Bldg., 312 W. 5th Street

Tel. 688-5127

SACRAMENTO 95809

1800 -I Street

Tel. 449-3471

SAN DIEGO 92112

P.O. Box 2648

Tel. 293-5310

SAN FRANCISCO 94111

100 California Street

Tel. 556-2238

SANTA ANA 92701

Freeway Center Bldg., 1440 East First St.

Tel. 543-0401
COLORADO, DENVER 80202
Railway Exchange Bldg., 909 17th St.
Tel. 297-4521
CONNECTICUT, HARTFORD 06103
Federal Office Bldg., 450 Main Street
Tel. 244-3638
DELAWARE, WILMINGTON 19801
536 Wilmington Trust Bldg.
Tel. 654-6361
DISTRICT OF COLUMBIA, WASHINGTON 20412
Railway Labor Bldg., 400 First St., N. W.
Tel. 783-4591
FLORIDA, CORAL GABLES 33134
3001 Ponce de Leon Blvd.
Tel. 445-2561
JACKSONVILLE 32201
21 West Church Street
Tel. 354-7221
TAMPA 33609
4224-28 Henderson Blvd., P. O. Box 18165
Tel. 228-7711
GEORGIA, ATLANTA 30303
230 Peachtree Street, N.W.
Tel. 526-6595
HAWAII, HONOLULU 96801
P.O. Box 3377
Tel. 588-713
IDAHO, BOISE 83701
331 Idaho Street
Tel. 342-2232
ILLINOIS, CHICAGO 60604
219 S. Dearborn Street
Tel. 828-7660
SPRINGFIELD 62705
628 East Adams St., P. O. Box 1628
Tel. 525-4414
INDIANA, INDIANAPOLIS 46209
Arch. & Builders Bldg., 333 N. Pennsylvania St.
Tel. 633-7188
IOWA, DES MOINES 50309
615 Park Street
Tel. 284-4481
KANSAS, TOPEKA 66603
700 Kansas Avenue
Tel. 234-8241
KENTUCKY, LOUISVILLE 40202
Madrid Bldg., Third & Guthrie Sts.
Tel. 582-5252
LOUISIANA, NEW ORLEANS 70113
Federal Bldg., 701 Loyola Avenue
Tel. 527-2063
SHREVEPORT 71101
425 Milam Street
Tel. 425-6601
MAINE, BANGOR 04401
Exchange Bldg., 27 State Street
Tel. 942-8242
MARYLAND, BALTIMORE 21231
404 North Bond Street
Tel. 685-8320
MASSACHUSETTS, BOSTON 02203
John Fitzgerald Kennedy Federal Bldg.
Tel. 223-7310
MICHIGAN, DETROIT 48226
1249 Wash., Blvd., Book Bldg.
Tel. 226-6216

GRAND RAPIDS 49503
 921 Division Avenue North
 Tel. 456-2225
 MINNESOTA, MINNEAPOLIS 55401
 110 South Fourth Street
 Tel. 334-2641
 MISSISSIPPI, JACKSON 39201
 301 Bldg., 301 N. Lamar St.
 Tel. 948-2267
 MISSOURI, KANSAS CITY 64106
 New Federal Office Bldg., P. O. Box 15568
 Tel. 374-5616
 ST. LOUIS 63101
 315 N. Seventh Street
 Tel. 622-4761
 MONTANA, HELENA 59601
 Steamboat Block, 616 Helena Ave.
 Tel. 442-3211
 NEBRASKA, OMAHA 68102
 215 North 17th Street
 Tel. 221-3740
 NEVADA, RENO 89505
 70 Linden Street, P. O. Box 4700
 Tel. 784-5213
 NEW HAMPSHIRE, MANCHESTER 03105
 P. O. Bldg., Hanover & Chestnut Sts.
 Tel. 669-7753
 NEW JERSEY, CAMDEN 08103
 The Parkade Bldg., 519 Federal St.
 Tel. 963-2301
 NEWARK 07102
 10 Commerce Court
 Tel. 645-3010
 NEW MEXICO, ALBUQUERQUE 87110
 625 Truman Street, N. E.
 Tel. 256-9834
 NEW YORK, ALBANY 12207
 Home Savings Bank Bldg., 11 N. Pearl St.
 Tel. 472-2460
 BUFFALO 14202
 304 U. S. Court House
 Tel. 842-3510
 HEMPSTEAD 11550
 175 Fulton Avenue
 Tel. 485-5000
 NORTH CAROLINA, GREENSBORO 27401
 221 South Ashe Street
 Tel. 275-9361
 NORTH DAKOTA, FARGO 58102
 700 Seventh Street, South
 Tel. 237-5136
 OHIO, CINCINNATI 45202
 Federal Office Bldg., 550 Main Street
 Tel. 684-3451
 CLEVELAND 44115
 1375 Euclid Avenue
 Tel. 241-7340
 COLUMBUS 43215
 Columbus Center Bldg., 100 East Broad St.
 Tel. 469-7345
 OKLAHOMA, OKLAHOMA CITY 73103
 1401 North Robinson
 Tel. 236-2293
 TULSA 74103
 9 East 4th St. Bldg.
 Tel. 584-7435
 OREGON, PORTLAND 97204

Cascade Bldg., 520 S.W. Sixth Ave.
 Tel. 226-3963
 PENNSYLVANIA, PHILADELPHIA 19102
 2 Penn Center Plaza
 Tel. 597-2358
 PITTSBURGH 15222
 1000 Liberty Ave.
 Tel. 644-2802
 PUERTO RICO, SAN JUAN
 P.O. Box 1268
 Hato Rey, Puerto Rico 00919
 Tel. 767-5655
 RHODE ISLAND, PROVIDENCE 02903
 P. O. Annex
 Tel. 528-4391
 SOUTH CAROLINA, COLUMBIA 29201
 1515 Lady Street
 Tel. 253-3361
 SOUTH DAKOTA, SIOUX FALLS 57102
 225 South Main Avenue
 Tel. 336-2224
 TENNESSEE, KNOXVILLE 37902
 725 Gay Street, S.W.
 Tel. 524-3144
 MEMPHIS 38103
 Room 447, Federal Office Bldg.
 Tel. 534-3141
 TEXAS, DALLAS 75201
 Wilson Bldg., 1621 Main Street
 Tel. 749-2651
 FORT WORTH 76102
 711 West Seventh Street
 Tel. 334-3235
 HOUSTON 77002
 Rm. 7419, Federal Bldg., 515 Rusk Ave.
 Tel. 228-4335
 LUBBOCK 79401
 1601 Ave. N
 Tel. 765-8271
 SAN ANTONIO 78204
 535 South Main Avenue
 Tel. 225-5673
 UTAH, SALT LAKE CITY 84111
 P. O. Box 11009
 Tel. 524-5237
 VERMONT, BURLINGTON 05402
 Federal Bldg., Elmwood Avenue
 Tel. 862-6274
 VIRGINIA, RICHMOND 23240
 400 N. Eighth Street
 Tel. 649-2721
 WASHINGTON, SEATTLE 98104
 Norton Bldg., 801 Second Ave.
 Tel. 583-7457
 SPOKANE 99201
 501 Am. Legion Bldg., 108 N. Wash. Street
 Tel. 838-3203
 WEST VIRGINIA, CHARLESTON 25301
 500 Quarrier Street
 Tel. 343-1321
 WISCONSIN, MILWAUKEE 53203
 744 North 4th Street
 Tel. 272-8600
 WYOMING, CASPER 82
 P. O. Box 580
 Tel. 265-3252